

CSI Program Forum

May 16, 2013



California **Solar** Initiative

CSI Program Statistics



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

CSI Program Statistics

- Progress to MW goals
- Budget review

james.loewen@cpuc.ca.gov



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

PMRS Reminder



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

Regarding PMRS....Follow the Rules!

The Wrong Way

- PMRS equipment does not meet minimum requirements or no monitoring/reporting capabilities installed
- Signature certifying PMRS capability installed and working

The Correct Way

- Proper PMRS equipment, meeting minimum requirements, installed.
- Signature certifying installed and working

Why

- It is a Commission requirement
- Customer benefits from knowing how system is performing
- Ratepayer is assured the subsidized system will produce through useful life



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

Proposal for PBI Modifications/Phase Out



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

PBI Modifications Are Needed to Reduce Administrative Costs

- Current PBI Incentive Mechanism requires CSI PAs to continue PBI payments post-December 31, 2016.
 - Incentive Reservation Period – 12 to 18 Months
 - Up to three 180 days extensions for schools
 - 60 months of payments
- Disconnect between CSI program sunset date 2016 and PBI sunset date 2024
 - Need to bring PBI payments into alignment with sunset dates



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

Ways to Reduce PBI Administrative Costs

- Options to reduce or eliminate cost associated with the PBI Incentive Mechanism:
 - Reduce the amount of time of incentive payments (Less than 5 years)
 - Reduce the number of payments (Less than 60)



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

Questions	Solution
How would CSI address "Existing" PBI Incentive Payments?	<ul style="list-style-type: none"> • Buy-Out Remainder of 60 PBI Payments for projects that have already received one year of payments (12 payments). • Pay customer higher of the currently reserved PBI amount or most current 12 months of the actual performance extrapolated for the remainder of the 60 PBI payments.
How would CSI address "New" PBI Incentive Payments?	<ul style="list-style-type: none"> • Option 1: Provide 1 year of PBI at actual performance kWh rate, with the remainder of the incentive payment being paid out at year end. Example: 20 % actual kWh payment each quarter during year 1 and the remaining 80% expected performance paid at the beginning of year 2. • Option 2: All new projects as of a date (January 1, 2014) will be paid on the expected performance as a lump sum. Essentially, performance based incentive payments will be paid on expected performance.



SOUTHERN CALIFORNIA
EDISON
An EDISON INTERNATIONAL Company



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

Justification for PBI Modifications

- More Cost-Efficient Program Administrative and Greater Budget Certainty
 - Over 3660 active PBI projects in the queue state-wide
 - Only 70 PBI have received complete five-year payment
 - Program must issue over 200,000 incentive payments for these projects based on current PBI rules.
 - Because PBI payments are not capped for incentives on actual performance, there is administrative budget uncertainty about how much incentives must be reserved for payments after the sunset date.
 - This will result in conservative buffers on the incentive budget to ensure no overspending and will result in incentives being tied up early.



California Solar Initiative

Justification for PBI Modifications

- Sufficient market incentives exist that promote assurance of optimal ongoing system performance without PBI payments for five years:
 - Recouping the Upfront Capital Investment through Reduced Utility Bill
 - In many cases, Third Party Owner Contractual Performance Guarantees with Host Customer
 - Renewable Energy Credits



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

Next Steps

- PAs to consider a Petition to Modify the CPUC CSI Decisions and/or CEC SB 1 Guidelines in near future.



California **Solar** Initiative

AB 217 (Bradford) SASH and MASH



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

AB 217 SASH and MASH

- Proposal is to expand funding and the timeline for the low-income portions of the CSI Program
 - Multi-family Affordable Solar Housing (MASH)
 - Single Family Affordable Solar Housing (SASH)
- Bill would authorize the utilities to collect \$108M between California's 3 largest IOUs
- Funds would kick in when current program funds are exhausted, per IOU territory, or when the bill is signed into law and goes through regulatory commissioning process
- New expiration date for MASH and SASH would be December 31, 2021



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

Regulatory Update



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

Regulatory Update

- Measurement & Evaluation (M&E) Updated Proposal:
 - Non-CSI data to be included in CSS and WDS
- Petitions to Modify Decision 10-09-047:
 - CCSE
 - PG&E

james.loewen@cpuc.ca.gov



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

3rd Party System Owner Data



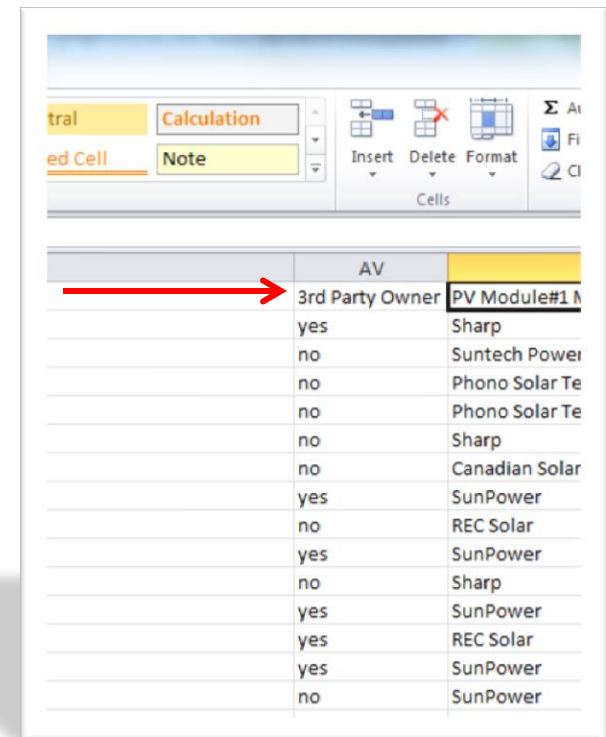
Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

3rd Party System Owner Data

- CSI Program collects system owner information
- We believe that there can be consumer and research benefits to releasing the names of 3rd party system owners in the public data set
- Currently the only publicly available information released that identifies a project as a 3rd party ownership arrangement is a yes/no question



	AV	
	3rd Party Owner	PV Module#1 M
	yes	Sharp
	no	Suntech Power
	no	Phono Solar Te
	no	Phono Solar Te
	no	Sharp
	no	Canadian Solar
	yes	SunPower
	no	REC Solar
	yes	SunPower
	no	Sharp
	yes	SunPower
	yes	REC Solar
	yes	SunPower
	no	SunPower



California Solar Initiative

3rd Party System Owner Data

- Issue is that many 3rd party owned system installed by one developer can be owned by several different banks/LLCs/investors
- This creates a discrepancy in the nomenclature
- Data shows that 45% of all projects (57,801) are 3rd party owned
- Installer, seller and applicant name can be useful in replace of system owner, but consistency in naming conventions is not always present – adding to confusion



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

3rd Party System Owner Data

How can we fix this?

Suggestions?



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

PG&E's PTM



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

CSI Sunset PTM: Seeking Authority to Transfer General Market Dollars to Low Income Programs.

Petition seeks permission to:

- Close the CSI general market residential program once the remaining incentive budget has been reserved.
- Close the CSI general market non-residential program once the megawatt (MW) goal has been met.
- Move general market incentive dollars that may become available through future residential program attrition, and incentive dollars in excess of what is needed to meet the non-residential MW goal to the low-income solar programs.



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

CCSE Petition to Modify



Center for
Sustainable Energy
CALIFORNIA



California **Solar** Initiative

CCSE Petition to Modify

- Reallocate among administrative budget pre-determined buckets
- Remove 1/3 – 2/3 split between Residential and Non-Residential sectors



Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

CCSE Petition to Modify

Why?

- CCSE is facing an issue in our administration budget but has funds available in the Marketing and Outreach category to fulfill program implementation
- Currently, at the rate non-residential projects are submitted we expect to install roughly 60% of our targeted non-residential goal of 121 MWs
 - By combining the residential and non-residential MW goals it would allow residential projects to help reach CCSE's total MW goal of 180 MWs

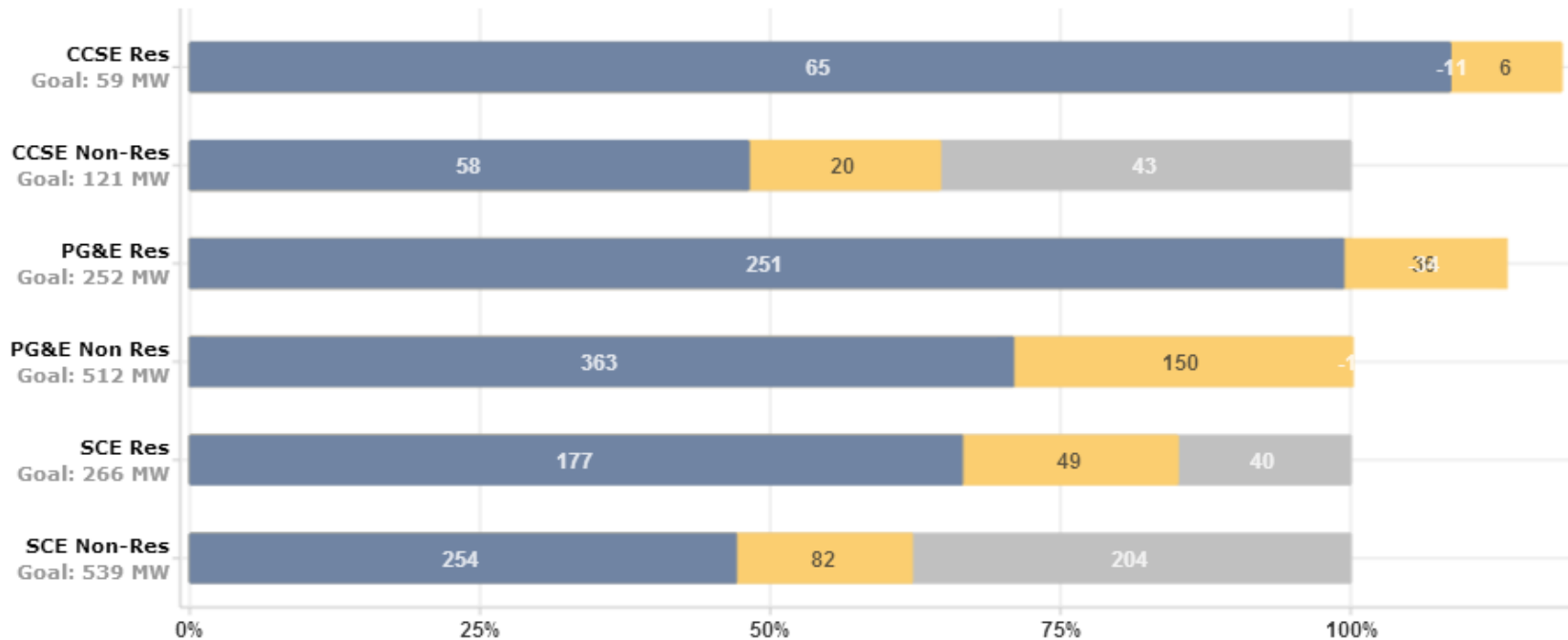


Center for
Sustainable Energy
CALIFORNIA



California Solar Initiative

Program Goals



122,237 application(s) were included for the generation of this chart



Center for
Sustainable Energy
CALIFORNIA

